



M E D I A R E L E A S E

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

FOR IMMEDIATE RELEASE
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HOME REPAIR SCAMS: TIPS FOR CONSUMERS

Nashville, TN.- After a major disaster, such as a tornado, many victims need immediate help to repair damage and secure their property to avoid further loss. That's when it's important to understand how to best secure qualified home repair services and to have knowledge about scam artists who take advantage of storm victims.

In Tennessee, anyone doing home repair or improvement work with an estimated value of more than \$25,000 must be a licensed contractor in order to do business.

Here are some tips for hiring a qualified contractor or home improvement contractor:

1. Make sure the person is properly licensed. Write down the license number and then check it by calling the state's Contractor Licensing Board at 800-544-7693 or go to www.state.tn.us/commerce/contractors.
2. Get recommendations from friends and neighbors, and check any references given to you by a prospective contractor. The Division of Consumer Affairs contains a residential construction complaint mediation service known as CHAMP (Contractor Homeowner Accountability and Mediation Program). This consumer-based complaint process allows the parties to agree on making repairs or corrections or to resolve residential construction issues without administrative disciplinary hearings. You can look at the "Problem Contractors List" on the Consumer Affairs website at www.state.tn.us/consumer.
3. Make sure the contractor is insured to cover workers' compensation, damage, and general liability insurance.
4. Get a written contract for all work that includes specific details of the work to be done, materials used and clean-up to be done afterward. It should include a completion date and payment schedule.
5. Never pay the entire cost of work up front, and never sign an insurance check over to a contractor before the work is complete.
6. To file a complaint against a licensed contractor, consumers can do so online by visiting www.state.tn.us/commerce/boards/contractors/OnlineComplaint_cont.
7. To file a complaint against any business that has committed an unfair or deceptive act, call the Consumer Affairs Division at 800-342-8385 or www.state.tn.us/consumer.

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Here are some examples of what to avoid:

1. A person going door-to-door selling their services.
2. A person who offers services for a short time only, which make consumers feel rushed and unable to research the contractor.
3. Unmarked trucks or vans, refusal or reluctance to set out complete and specific contract terms in writing.
4. Lack of permanent and verifiable name, address and phone number of the business.
5. Pressure to pay for more than half of the cost up front.

Call the Department of Commerce and Insurance tornado hotline for assistance with insurance issues at 800-342-4029 or the Consumer Affairs hotline for non-insurance issues at 800-342-8385.

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